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C O N F I D E N T I A L SECTION 01 OF 02 MOSCOW 000635

SIPDIS

E.O. 12958: DECL: 03/15/2019
TAGS: PREL PGOV MARR ECON RS GG

SUBJECT: GOR PREOCCUPIED BY TENSIONS WITH SOUTH OSSETIA,

NOT GEORGIA

REF: TBILISI 408

Classified By: Ambassador John R. Beyrle for reasons 1.4(b) and (d)

11. (C) Summary: At a time when tensions near the administrative borders of Abkhazia and South Ossetia are on the rise, Duma officials and well-connected Russian experts do not see signs of a spring offensive between Russia and Georgia. What has generated greater interest are the public signs of tension between Russia and South Ossetia, as evidenced in Moscow's efforts to rein in South Ossetian corruption and misuse of Russian passports. We do not rule out South Ossetian efforts to deflect Russian pressure by raising tensions locally. End Summary.

No expectation of war

- 12. (C) Despite the rising number of incidents on Georgia's administrative borders with South Ossetia and Abkhazia, few Russian observers share Georgian concerns that a new war could break out soon (reftel). Several prominent Duma members have downplayed prospects of renewed conflict, with pro-Kremlin Duma member Sergey Markov insisting to us there "will be no war with Georgia." On March 6, Duma International Relations Committee Chair Konstantin Kosachev stated there was no question of aggression on Russia's part, "not even at a hypothetical level." Kosachev called Russia's alleged desire to return Georgia into its sphere of influence a "myth."
- (C) Analysts also do not see Russia planning a new military intervention in Georgia in the near future, but reiterate disinterest in improving bilateral relations as long as Saakashvili remains President in Georgia. Zolotarev, retired General and Deputy Director of U.S.A.-Canada Institute, told us neither Russia nor Georgia could afford a war during this time of economic crisis.
 Despite Putin's animosity toward Saakashvili, Ekho Moskvy Chief Editor Aleksey Venediktov argued that Russia could not again use Georgia to divert attention from its domestic problems, noting that Putin was more concerned about tensions with Ukraine during the upcoming presidential elections there. Assessing the likelihood of Russian aggression against Georgia as very low, Ivan Safranchuk of the World Security Institute commented that Russia did not want to "take responsibility" for the enclaves' actions, but felt the need to protect them and would respond with force if attacked. Artem Malgin from MGIMO suggested the GOR was well-advised to "stay silent" during this time of accusations, and make quiet progress on peacefully improving conditions in the regions.

- ¶4. (C) Instead of friction between Russia and Georgia, the focus here is on tensions between Russia and South Ossetia. Georgian Charge d'Affaires Givi Shugarov told us March 13 that Russian DFM Karasin had admitted in a private meeting that the South Ossetians were "causing Russia problems," both in the context of the Geneva Process, and elsewhere. One indicator of the new discord between Russia and South Ossetia is Moscow's demand for a new mechanism to more accountably disburse the remaining USD 8.5 billion of the USD 10 billion in aid Prime Minister Putin had allocated for assistance to South Ossetia in August 2008.
- 15. (U) The March 2 suspension of the issuance of new Russian passports to South Ossetian residents has also been picked up in the Russian press, which South Ossetian "president" Kokoity attributed to the result of high demand for passport renewals. Yulia Latynina in a March 7 Ekho Moskviy program sided with Aleksandr Gabuyev's March 3 charge in Kommersant, concluding that corruption in South Ossetia was the reason for Moscow's discontent. While both accused South Ossetia of siphoning off monies from the first tranche of aid disbursed late last year, Latynina noted that 2000 unclaimed Russian passports in South Ossetia had been used to illegally draw pensions and wages, causing Russia to cut off the issuance of new passports.

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Comment

16. (C) Russia's sparring with South Ossetia over assistance suggests that Moscow is preoccupied with managing a difficult protege on issues that pertain to the continuation of the status quo. South Ossetia's insistence that military tensions with Georgia are rising might be an attempt to divert attention away from its own problems of corruption and discord with Russia.

BEYRLE